



**House Bill No. 6448**

**Public Act No. 09-134**

**AN ACT CONCERNING DISCLOSURE OF INSURANCE  
REQUIREMENTS IN EQUIPMENT LEASES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 42-404 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2009, and applicable to consumer leases entered, renewed, modified or extended on or after October 1, 2009*):

(a) A lessor may require that the lessee maintain casualty insurance on the leased goods, or liability insurance against personal injury or property damage caused to others, or both, during the period of the lease. If a lessor requires that the lessee maintain either casualty or liability insurance, or both, [unless the insurance is included in the lease for no additional charge,] the lessor shall disclose in a conspicuous manner in a record: (1) Whether the insurance is included in the lease for no additional charge; (2) if the insurance is not included in the lease or if there is an additional charge for obtaining insurance through the lessor, that the lessee may purchase the required insurance from an insurer of the lessee's choice, subject to the lessor's right to reject that insurer for reasonable cause; and (3) that the insurance policies offered by the lessor may duplicate coverage already provided by a lessee's personal insurance policies.

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(b) If casualty insurance on the leased goods is neither required nor provided in a consumer lease, the lease must contain or be accompanied by a conspicuous statement in a record substantially as follows: "No insurance coverage for physical damage to the leased goods, or loss of the leased goods, is provided under this lease."

(c) A lessor may not require the lessee to purchase credit life, accident, health, loss-of-income or similar insurance in connection with a consumer lease. If a lessor provides such insurance in connection with a consumer lease:

(1) The lessor shall disclose in a record that the insurance is not required; and

(2) The lessee's election to purchase the insurance is effective only if after receiving the disclosure the lessee separately signs a record requesting the insurance.

(d) If a lessee becomes obligated to pay an amount for insurance provided by or through the lessor, the lessor shall furnish or arrange to have furnished to the lessee a copy of the policy or certificate of insurance.

Sec. 2. Section 42-390 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2009*):

Sections 42-270 to 42-271a, inclusive, and 42-390 to 42-434, inclusive, may be cited as the [Uniform] Consumer Leases Act.

Sec. 3. (NEW) (*Effective October 1, 2009, and applicable to consumer leases entered, renewed, modified or extended on or after October 1, 2009*) (a) If any insurance is required to be obtained for a lease pursuant to subsection (e) of section 42a-2A-305 of the general statutes, any such agreement as set forth in said subsection shall disclose in a conspicuous manner: (1) Whether the insurance is included in the lease

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for no additional charge; (2) if the insurance is not included in the lease or if there is an additional charge for obtaining insurance through the lessor, that the lessee may purchase the required insurance from an insurer of the lessee's choice, subject to the lessor's right to reject that insurer for reasonable cause; and (3) that the insurance policies offered by the lessor may duplicate coverage already provided by a lessee's personal insurance policies.

(b) If insurance on the leased goods is neither required nor provided in such lease or by agreement, the lease must contain or be accompanied by a conspicuous statement in a record substantially as follows: "No insurance coverage for the leased goods, or loss of the leased goods, is provided under this lease."

Approved June 18, 2009